



**QuadReal**

**2019 SASB**

**DISCLOSURE**





**“Measurement and data transparency are the foundation on which we make decisions that will help to build a sustainable future for our stakeholders and communities.”**

Remco Daal, President  
Canadian Real Estate



## INTRODUCTION TO THIS REPORT

# REMCO DAAL

2019 was another year of building and accomplishment in sustainability at QuadReal. Our strong performance on GRESB (Global Real Estate Sustainability Benchmark), is indicative that our core value of responsibility has taken root across the company. The programs we have created support our teams in consistent implementation while providing tools and opportunity for innovation.

This year, our operational carbon footprint reached a reduction of 60% from our 2007 baseline. This surpasses our 50% reduction by 2020 target and sets us solidly on the path to realize our goal of an 80% reduction by 2050. We also advanced our carbon reduction efforts and climate risk assessments to manage long-term environmental risks to our portfolio. New global property investments are now screened for climate risk with a 2040-time horizon, with particular attention to flooding and sea level rise.

SASB has identified design for tenant health as a sustainability topic to watch, with potential to constitute material information in the future. Tenant, resident and employee health is a top priority for QuadReal. As part of these efforts, we have become early adopters of Fitwel, a leading health and wellbeing certification, with the most space currently certified to Fitwel in Canada. This year, we also co-published Fitwel's Office Guide to Building Health, a publicly available resource to help office tenants choose and design space that supports health and wellbeing.

The progress that we have made this year is a testament to the hard work and focus of our employees as well as the consistent support of BCI, whose clients' plan members represent 600,000 people in British Columbia. We are inspired by these members to approach our work with care for the environment and for our communities.

Looking ahead, the team at QuadReal will continue to lead with a fundamental responsibility to our clients and communities to pursue excellence in sustainability. Our strong core programs are an integral part of this commitment and I look forward to continuing this important work with our partners, peers and my colleagues.

**Remco Daal**  
President, Canadian Real Estate  
QuadReal Property Group

## 2019 SASB DISCLOSURE

# ABOUT THIS REPORT

This is QuadReal's 2019 disclosure report of the Real Estate SASB metrics for our Canadian portfolio. The reported portfolio excludes developments, mortgages and asset management-only properties.

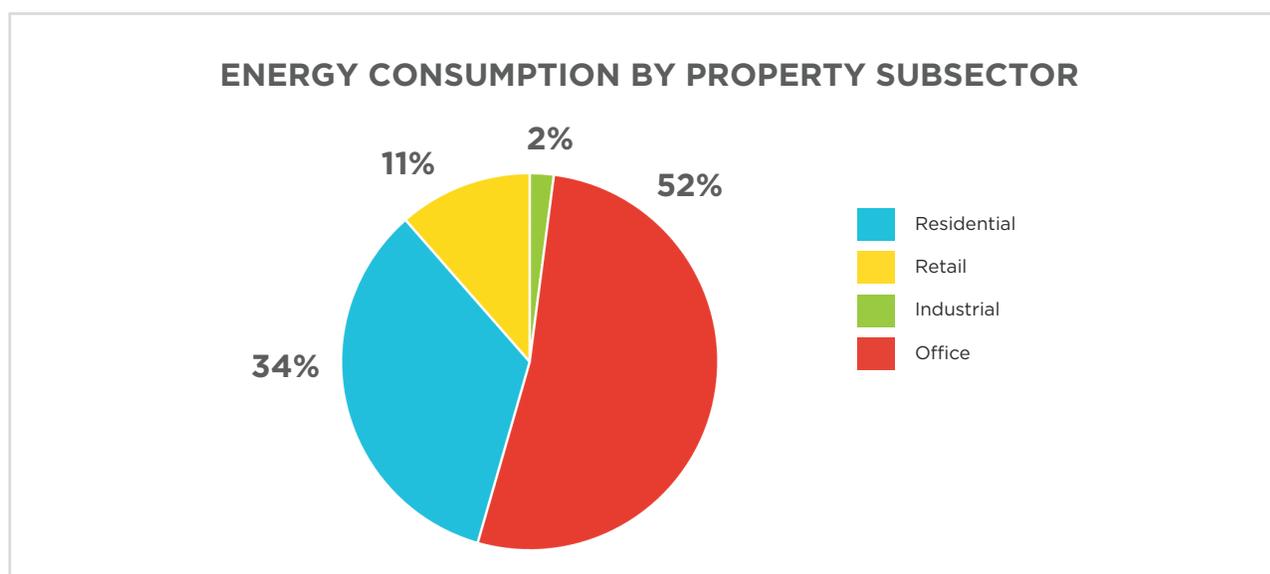
These activity metrics describe the scale of QuadReal's business, enabling normalization and like-for-like comparison of the data in this report.

Activity Metric	Measurement	2018	2019	2020	SASB Code
Number of assets, by property subsector	Number of assets - Industrial	171	160	N/A	IF-RE-000.A
	Number of assets - Office	63	63	N/A	IF-RE-000.A
	Number of assets - Residential	48	49	N/A	IF-RE-000.A
	Number of assets - Retail	24	25	N/A	IF-RE-000.A
Leasable floor area, by property subsector	Square feet (ft <sup>2</sup> ) - Industrial	16,315,697	14,816,823	N/A	IF-RE-000.B
	Square feet (ft <sup>2</sup> ) - Office	16,249,383	15,276,885	N/A	IF-RE-000.B
	Square feet (ft <sup>2</sup> ) - Residential	9,240,398	9,449,976	N/A	IF-RE-000.B
	Square feet (ft <sup>2</sup> ) - Retail	5,728,344	5,871,268	N/A	IF-RE-000.B
Percentage of indirectly managed assets, by property subsector	Percentage (%) by floor area - Industrial	100	100	N/A	IF-RE-000.C
	Percentage (%) by floor area - Office	0	0	N/A	IF-RE-000.C
	Percentage (%) by floor area - Residential	0	0	N/A	IF-RE-000.C
	Percentage (%) by floor area - Retail	43	41	N/A	IF-RE-000.C
Average occupancy rate, by property subsector	Percentage (%) - Industrial	95	96	N/A	IF-RE-000.D
	Percentage (%) - Office	90	91	N/A	IF-RE-000.D
	Percentage (%) - Residential	96	97	N/A	IF-RE-000.D
	Percentage (%) - Retail	88	86	N/A	IF-RE-000.D



# ENERGY MANAGEMENT

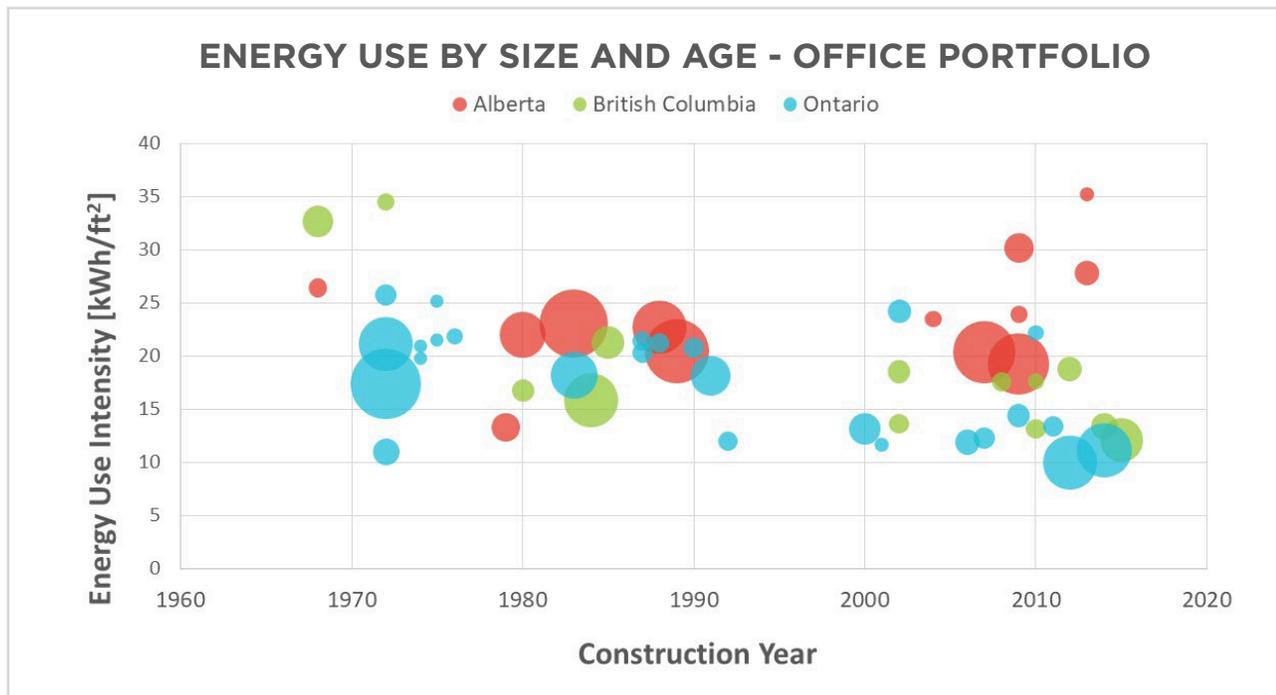
In Canada, buildings consume 22% of the country’s total energy used. Tracking energy use helps building owners improve efficiency and reduce emissions. Energy sources, consumption patterns and energy management strategies differ between both regions and asset classes.



## ACCOUNTING METRICS

Accounting Metric	Measurement	2018	2019	2020	SASB Code
Energy consumption data coverage as a percentage of floor area, by property subsector	Percentage (%) by floor area, Industrial	69	74	N/A	IF-RE-130a.1
	Percentage (%) by floor area, Office	97	98	N/A	IF-RE-130a.1
	Percentage (%) by floor area, Residential	100	100	N/A	IF-RE-130a.1
	Percentage (%) by floor area, Retail	100	100	N/A	IF-RE-130a.1
(1) Total energy consumed by portfolio area with data coverage, by property subsector	Gigajoules (GJ), Industrial	84,352 ✓	53,945	N/A	IF-RE-130a.2
	Gigajoules (GJ), Office	1,515,781 ✓	1,374,632	N/A	IF-RE-130a.2
	Gigajoules (GJ), Residential	870,238 ✓	894,415	N/A	IF-RE-130a.2
	Gigajoules (GJ), Retail	215,830 ✓	300,300	N/A	IF-RE-130a.2
(2) Percentage grid electricity, by property subsector	Percentage (%), Industrial	100 ✓	100	N/A	IF-RE-130a.2
	Percentage (%), Office	89 ✓	81	N/A	IF-RE-130a.2
	Percentage (%), Residential	100 ✓	95	N/A	IF-RE-130a.2
	Percentage (%), Retail	99 ✓	90	N/A	IF-RE-130a.2
(3) Percentage renewable, by property subsector	Percentage (%), Industrial	0 ✓	0	N/A	IF-RE-130a.2
	Percentage (%), Office	11 ✓	19	N/A	IF-RE-130a.2
	Percentage (%), Residential	0 ✓	5	N/A	IF-RE-130a.2
	Percentage (%), Retail	1 ✓	10	N/A	IF-RE-130a.2

# ENERGY MANAGEMENT



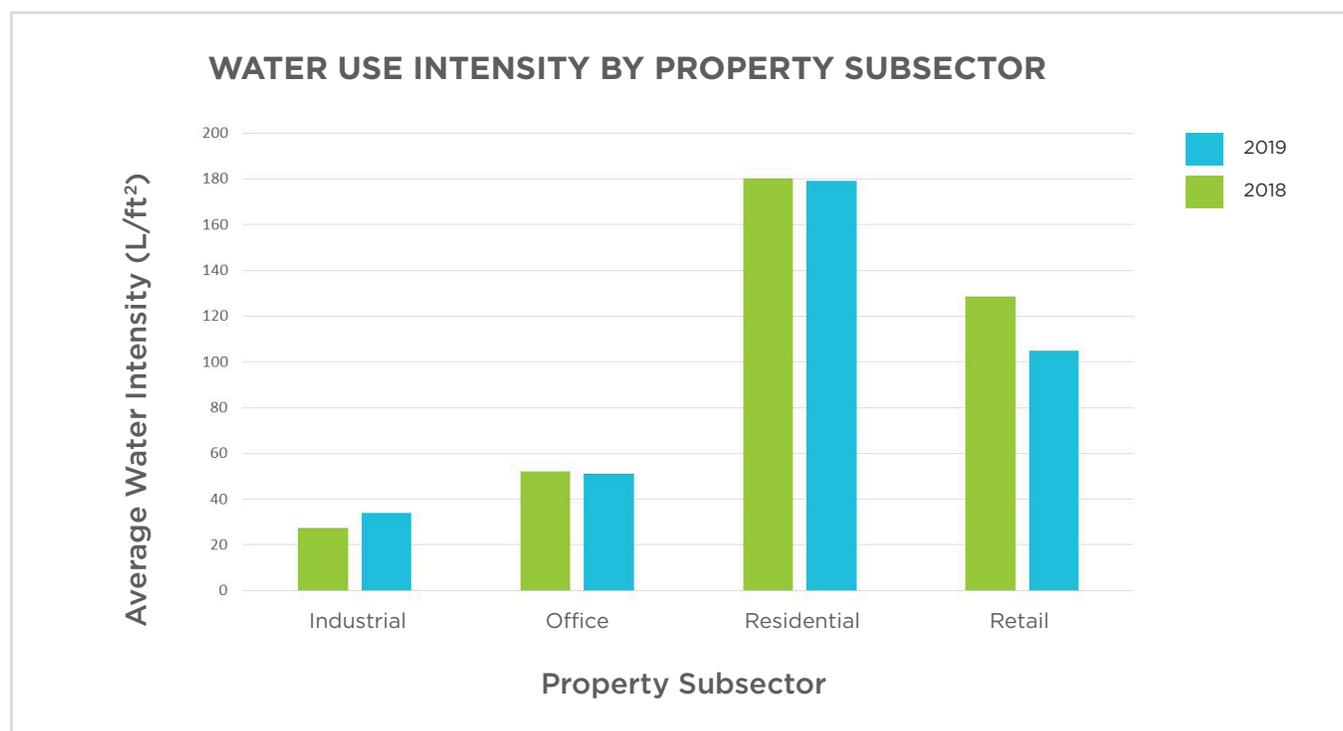
## ACCOUNTING METRICS

Accounting Metric	Measurement	2018	2019	2020	SASB Code
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Percentage (%), Industrial	-7	-3	N/A	IF-RE-130a.3
	Percentage (%), Office	1	-2	N/A	IF-RE-130a.3
	Percentage (%), Residential	2	0	N/A	IF-RE-130a.3
	Percentage (%), Retail	9	-4	N/A	IF-RE-130a.3
Percentage of eligible portfolio that (1) has an energy rating by property subsector	Percentage (%) by floor area, Industrial	69	74	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Office	97	98	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Residential	100	100	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Retail	100	100	N/A	IF-RE-130a.4
Percentage of eligible portfolio that (2) is certified to ENERGY STAR, by property subsector	Percentage (%) by floor area, Industrial	N/A	N/A	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Office	54	56	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Residential	N/A	N/A	N/A	IF-RE-130a.4
	Percentage (%) by floor area, Retail	N/A	N/A	N/A	IF-RE-130a.4
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and analysis			2019	IF-RE-130a.5
	QuadReal's target for the existing buildings we manage is to perform in the top 10% for energy efficiency of comparable buildings and as close as possible to new buildings. To achieve this, property teams complete annual target setting to identify opportunities for improvement and to plan out capital investments. Proactive, thoughtful and systematic investments in upgrades that deliver energy efficiency improvements help avoid building obsolescence. Across our office portfolio we use Energy Star to benchmark performance against comparable buildings. In 2019 56% of the portfolio was certified to Energy Star, which signifies that over half of our office properties were in the top quartile of energy performance for similar office buildings in Canada.				

## 2019 SASB DISCLOSURE

# WATER MANAGEMENT

Real estate practices can have a significant impact on our water supply. Water consumption rates and accompanying costs are influenced by asset class, tenant type, location, supply and other factors.

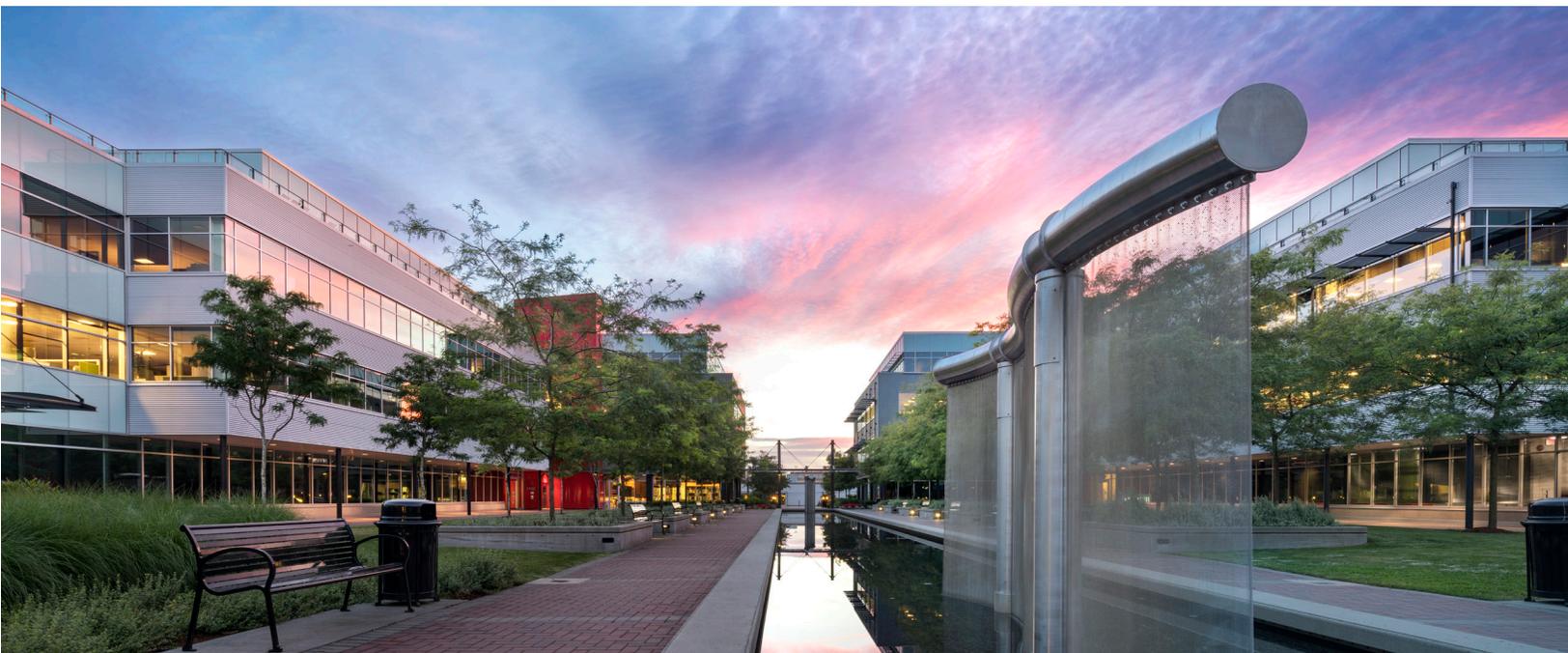


## ACCOUNTING METRICS

Accounting Metric	Measurement	2018	2019	2020	SASB Code
Water withdrawal data coverage as a percentage of (1) total floor area, by property subsector	Percentage (%) by floor area, Industrial	87	87	N/A	IF-RE-140a.1
	Percentage (%) by floor area, Office	98	98	N/A	IF-RE-140a.1
	Percentage (%) by floor area, Residential	100	100	N/A	IF-RE-140a.1
	Percentage (%) by floor area, Retail	100	100	N/A	IF-RE-140a.1
Water withdrawal data coverage as a percentage of (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%) by floor area, Industrial	93	91	N/A	IF-RE-140a.1
	Percentage (%) by floor area, Office	100	100	N/A	IF-RE-140a.1
	Percentage (%) by floor area, Residential	100	100	N/A	IF-RE-140a.1
	Percentage (%) by floor area, Retail	100	100	N/A	IF-RE-140a.1

## 2019 SASB DISCLOSURE

# WATER MANAGEMENT



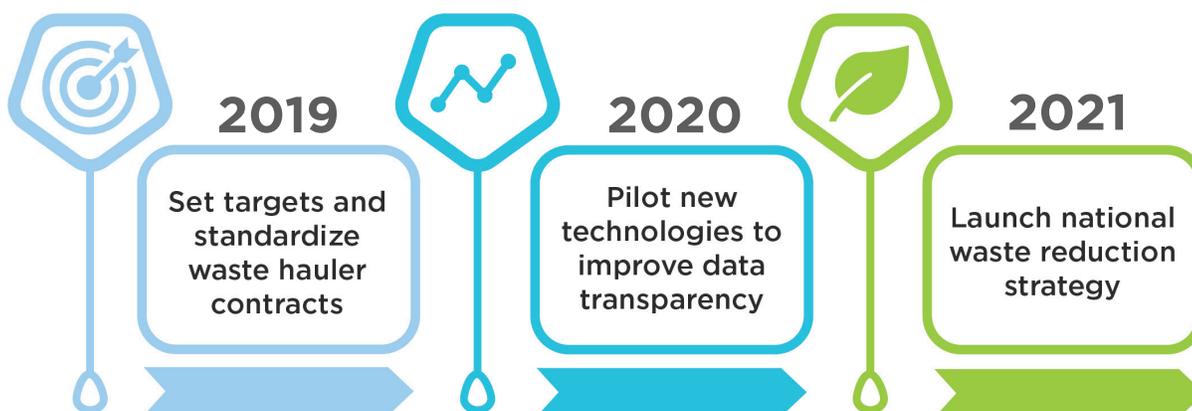
### ACCOUNTING METRICS

Accounting Metric	Measurement	2018	2019	2020	SASB Code
(1) Total water withdrawn by portfolio area with data coverage, by property subsector	Thousand cubic meters (m <sup>3</sup> ), Industrial	365 ✓	367	N/A	IF-RE-140a.2
	Thousand cubic meters (m <sup>3</sup> ), Office	870 ✓	752	N/A	IF-RE-140a.2
	Thousand cubic meters (m <sup>3</sup> ), Residential	1,721 ✓	1,720	N/A	IF-RE-140a.2
	Thousand cubic meters (m <sup>3</sup> ), Retail	615 ✓	615	N/A	IF-RE-140a.2
(2) Percentage water withdrawn in regions with High or Extremely High Baseline Water Stress, by property subsector	Percentage (%), Industrial	10 ✓	8	N/A	IF-RE-140a.2
	Percentage (%), Office	25 ✓	24	N/A	IF-RE-140a.2
	Percentage (%), Residential	19 ✓	20	N/A	IF-RE-140a.2
	Percentage (%), Retail	11 ✓	9	N/A	IF-RE-140a.2
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Percentage (%), Industrial	-12	7	N/A	IF-RE-140a.3
	Percentage (%), Office	1	-6	N/A	IF-RE-140a.3
	Percentage (%), Residential	2	-1	N/A	IF-RE-140a.3
	Percentage (%), Retail	-11	-5	N/A	IF-RE-140a.3
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis			2019	IF-RE-140a.4
	The majority of QuadReal's domestic portfolio is located in low water stressed areas. We monitor water consumption across the portfolio where we have operational control. Through water target setting we highlight areas for improvement. Recognizing that southern Alberta faces some water constraints, we focus on enhanced water efficiency measures, xeriscaping and rainwater capture for that region. We also use our tenant and resident engagement program to communicate water conservation ideas to our communities.				

## 2019 SASB DISCLOSURE

# WASTE MANAGEMENT

Waste management is a key indicator of performance in real estate portfolios. Meaningful metrics and quality data will power QuadReal's waste reduction strategies. Currently, we are improving data disclosure from contracted waste haulers. As part of our commitment to transparency, QuadReal has chosen to voluntarily disclose our waste data in addition to SASB metrics.



## ACCOUNTING METRICS

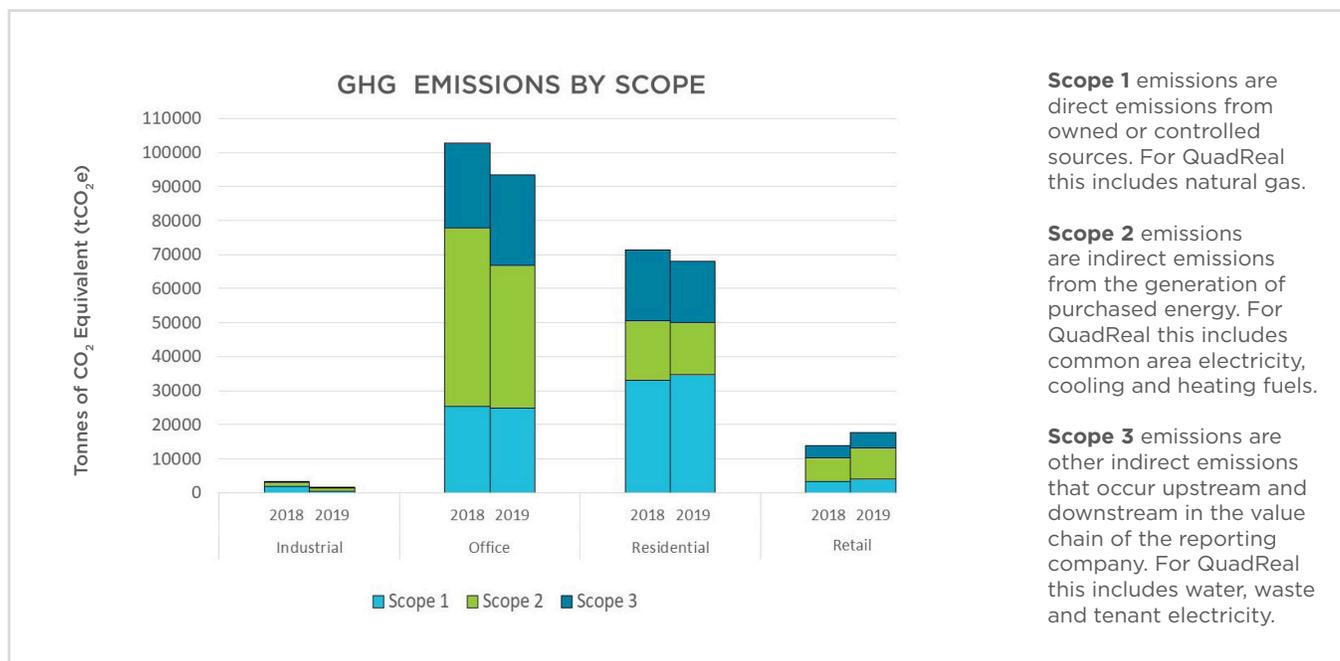
Accounting Metric	Measurement	2018	2019	2020	SASB Code
Total waste produced, by property subsector	Weight (kg), Industrial	14,790	8,743	N/A	N/A
	Weight (kg), Office	7,094,282	6,824,197	N/A	N/A
	Weight (kg), Residential	11,277,232	9,330,335	N/A	N/A
	Weight (kg), Retail	3,228,232	3,644,666	N/A	N/A
Percentage of waste diverted, by property subsector	Percentage (%), Industrial	61	56	N/A	N/A
	Percentage (%), Office	64	59	N/A	N/A
	Percentage (%), Residential	9	8	N/A	N/A
	Percentage (%), Retail	46	40	N/A	N/A

Waste management methodology	Discussion and analysis			2019	N/A
	<p>Total waste collected is the weight in kilograms of waste sent to landfill, waste recycled and waste sent to waste-to-energy (WTE) facilities during the reporting period. Recycled waste includes compost, cardboard, mixed paper, cans, bottles, glass, wood, metal, steel and other. Reported waste generation can fluctuate year-over-year due to variation in data availability and updates to our methodology in line with the latest industry standards.</p> <p>Where possible, current year reported data is sourced directly from waste hauler reporting. Approximately 33% of the reported data is sourced in this way, while the remaining 67% is estimated for properties in which historic waste hauler reporting exists and an average is applied to the current year.</p> <p>To conservatively estimate waste diversion, it was assumed that 10% of the material sent to WTE facilities still ends up in landfill. The waste diversion rate (%) is calculated as the percentage of recycled material plus 90% of waste sent to waste-to-energy facilities out of the total waste collected.</p>				

## 2019 SASB DISCLOSURE

# GHG EMISSIONS

To reduce our greenhouse gas emissions, we focus on low-GHG operations for new developments, improving the energy efficiency of existing buildings, and increasing our use of renewable energy and less carbon-intensive fuels. As part of this strategy, we also assist tenants, residents and peers in meeting their own GHG reduction goals. QuadReal has chosen to voluntarily disclose our emissions data in accordance with the GHG Protocol and in addition to SASB metrics. See our GHG emissions methodology on our website at <https://www.quadreal.com/sustainability/our-progress/>.



## ACCOUNTING METRICS

Accounting Metric	Measurement	2018	2019	2020	SASB Code
Total location-based portfolio GHG emissions, by scope	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 1	63,720 ✓	64,246	N/A	N/A
	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 2	77,966 ✓	67,028	N/A	N/A
	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 3	49,464	49,392	N/A	N/A
Total location-based portfolio GHG emissions	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	191,150	180,666	N/A	N/A
Total market-based portfolio GHG emissions, by scope	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 1	63,720	64,246	N/A	N/A
	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 2	61,519 ✓	17,475 <sup>1</sup>	N/A	N/A
	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Scope 3	37,890	29,241	N/A	N/A
	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), Offsets purchased	(15,090)	(14,982)	N/A	N/A
Total market-based portfolio GHG emissions net of offsets	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	148,039	95,981	N/A	N/A

<sup>1</sup>QuadReal purchased and allocated a larger volume of renewable energy credits (RECs) in 2019. As a result, the portfolio experienced a significant reduction in market-based scope 2 emissions relative to 2018.

# MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS

Much of the impact of our business lies in how we build our buildings and how our tenants and residents work and live within them. Accordingly, we actively support our occupants to adopt sustainable behaviours and practices through our tenant and resident engagement program.



## ACCOUNTING METRICS

Accounting Metric	Measurement	2018 <sup>2</sup>	2019	2020	SASB Code
(1) Percentage of new leases and (2) associated leased floor area of new leases that contain a cost recovery clause for resource efficiency-related capital improvements, by property subsector		N/A	N/A	N/A	IF-RE-410a.1
(1) Percentage of tenants that are separately metered or submetered for grid electricity consumption, by property subsector	Percentage (%) by floor area, Industrial	100	100	N/A	IF-RE-410a.2
	Percentage (%) by floor area, Office	74	79	N/A	IF-RE-410a.2
	Percentage (%) by floor area, Residential	81	79	N/A	IF-RE-410a.2
	Percentage (%) by floor area, Retail	100	100	N/A	IF-RE-410a.2
(2) Percentage of tenants that are separately metered or submetered for water withdrawals, by property sub-sector	Percentage (%) by floor area, Industrial	100	100	N/A	IF-RE-410a.2
	Percentage (%) by floor area, Office	2	2	N/A	IF-RE-410a.2
	Percentage (%) by floor area, Residential	0	0	N/A	IF-RE-410a.2
	Percentage (%) by floor area, Retail	100	100	N/A	IF-RE-410a.2
Approach to measuring, incentivizing, and improving sustainability impacts of tenants	Discussion and analysis			2019	IF-RE-410a.3
	While QuadReal includes cost recovery clauses in leases, we do not currently track the floor area associated with these clauses. QuadReal regularly communicates sustainability initiatives with tenants and residents across the portfolio through channels including monthly posters, quarterly newsletters and tenant meetings. In the office portfolio, we are increasing the roll-out of tenant submeters which lead to approximately a 9% reduction in tenant electricity use. In multi-residential, the electricity savings from in-suite submeters is approximately 30 to 40%. QuadReal's goal is to sub-meter all multi-residential suites by 2030. We also provide a green tenant fit-out guide and support tenants to achieve their sustainability targets.				

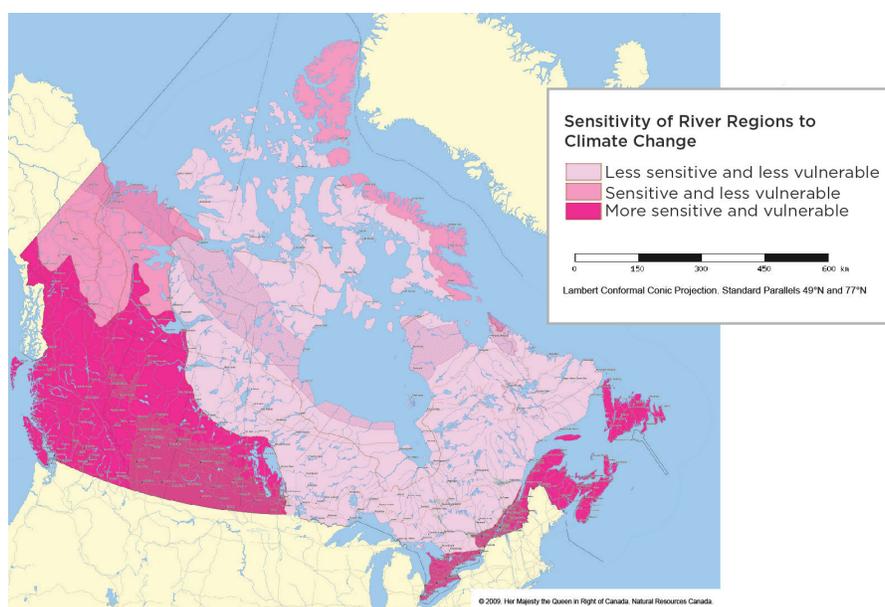
<sup>2</sup>Our 2018 SASB Disclosure excluded the percentage of tenants that were separately metered. We have revised the 2018 metrics to include the percentage of tenants that were either separately- or sub-metered for electricity and/or water during the reporting year.

# CLIMATE CHANGE ADAPTATION

The increasing frequency and severity of extreme weather events necessitates a response from real estate owners and operators. We have aligned with BCI in taking a strategic approach to integrating climate risk management into QuadReal’s operations. QuadReal’s governance bodies have an active role in our approach, with the board of directors receiving annual updates on climate-related issues and our investment committee providing direct oversight to our resilience objectives. As a responsible fiduciary, we seek to integrate climate considerations throughout the life cycle of our investments, from evaluating risk exposure during acquisition to incorporating resilient design into developments and retrofits.

ATLAS OF CANADA 6TH EDITION (ARCHIVAL VERSION)

## POTENTIAL IMPACTS - SENSITIVITY OF RIVER REGIONS TO CLIMATE CHANGE



### ACCOUNTING METRICS

Accounting Metric	Measurement	2018	2019	2020	SASB Code
Area of properties located in 100-year flood zones, by property subsector	Square feet (ft <sup>2</sup> ), Industrial	1,350,605	1,414,405	N/A	IF-RE-450a.1
	Square feet (ft <sup>2</sup> ), Office	364,176	364,176	N/A	IF-RE-450a.1
	Square feet (ft <sup>2</sup> ), Residential	823,472	879,282	N/A	IF-RE-450a.1
	Square feet (ft <sup>2</sup> ), Retail	414,426	1,505,375 <sup>3</sup>	N/A	IF-RE-450a.1
Description of climate change risk exposure analysis, degree of systemic portfolio exposure, and strategies for mitigating risks	Discussion and analysis			2019	IF-RE-450a.2
	QuadReal continues to update our approach to resilience in line with BCI's Climate Action Plan. In 2019 we initiated a multi-phased approach to managing the physical climate risks of our investments. Our first step was to implement a process for evaluating climate risks during acquisition due diligence. For our existing assets, we conduct portfolio-level exposure analysis. While we evaluate exposure to multiple climate hazards, we consider riverine and coastal flood risk to present the largest potential impacts to our portfolio. Our next step in improving portfolio resilience is assessing the vulnerability and preparedness of properties exposed to flood risk and sea level rise under future climate scenarios.				

<sup>3</sup>Within the retail portfolio, additional property area was identified to be located in a 1-in-100-year flood zone. Previous modelling indicated a lower frequency of flooding for this area.

# **2018 INDEPENDENT LIMITED ASSURANCE REPORT**



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## Independent Limited Assurance Report

*To the Management of QuadReal Property Group:*

We have been engaged by the management of QuadReal Property Group ('QuadReal') to undertake a limited assurance engagement on selected sustainability key performance indicators (the 'Subject Matter Information') disclosed in the QuadReal's 2018 SASB Disclosure ('the Report') for the year ended December 31, 2018 as described below.

### Subject matter and applicable criteria

The scope of our limited assurance engagement, as agreed with management, comprises of the following Subject Matter Information:

Subject Matter	Performance indicator	Applicable Criteria
Subject Matter 1	<ul style="list-style-type: none"> <li>Scope 1 greenhouse gas ('GHG') emissions (tCO<sub>2</sub>e)</li> <li>Location-based Scope 2 GHG emissions (tCO<sub>2</sub>e)</li> <li>Market-based Scope 2 GHG emissions (tCO<sub>2</sub>e)</li> </ul>	The World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol, Revised Edition ('GHG Protocol')
Subject Matter 2	<ul style="list-style-type: none"> <li>Direct and indirect energy consumption (GJ)</li> <li>Total water consumption (m<sup>3</sup>)</li> </ul>	The Sustainability Accounting Standards Board Real Estate Sustainability Accounting Standard version 2018-10 ('SASB Standard')
Subject Matter 3	<ul style="list-style-type: none"> <li>QuadReal's description of total annual waste collected (kg, text)</li> </ul>	QuadReal's own internal guidelines and definitions for sustainability reporting.
Subject Matter 4	<ul style="list-style-type: none"> <li>Total energy consumed by portfolio area with data coverage (GJ, %)</li> <li>Percentage grid electricity (%)</li> <li>Percentage renewable (%)</li> </ul>	SASB Standard, IF-RE-130a.2
Subject Matter 5	<ul style="list-style-type: none"> <li>Total water withdrawn by portfolio area with data coverage (m<sup>3</sup>, %)</li> <li>Percentage in regions with High or Extremely High Baseline Water Stress (%)</li> </ul>	SASB Standard, IF-RE-140a.2



The subject matter, contained within the Report and denoted by the symbol ✓, have been determined by management on the basis of QuadReal's assessment of the material issues contributing to sustainability performance and most relevant to its stakeholders.

There are no mandatory requirements for the preparation, publication or review of sustainability performance information, as such, QuadReal applies the GHG Protocol, the SASB Standard and its own internal reporting guidelines and definitions for sustainability reporting.

### **QuadReal's responsibilities**

Management is responsible for the preparation and presentation of the Subject Matter Information in accordance with the Applicable Criteria. Management is responsible for determining the appropriateness of the use of the Applicable Criteria. Management is also responsible for determining QuadReal's objectives in respect of sustainability performance and reporting, including the identification of stakeholders and material issues, and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

### **Our responsibility and professional requirements**

Our responsibility in relation to the Subject Matter Information is to perform a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements ('ISAE') 3000 (Revised) *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. ISAE 3000 and ISAE 3410 require that we plan and perform this engagement to obtain the stated level of assurance, in accordance with the applicable criteria.

### **Assurance approach**

We planned and performed our work to obtain all of the evidence, information and explanations we considered necessary in order to form our conclusion as set out below. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Subject Matter Information, and applying analytical and other evidence gathering procedures, as appropriate. Our procedures included:

- Inquiries with relevant staff at the corporate level as well as third-party service providers to understand the data collection and reporting processes for the Subject Matter Information,
- Where relevant, performing walkthroughs to test the design of internal controls relating to data collection and reporting of the Subject Matter Information;
- Comparing the reported data for the Subject Matter Information to underlying data sources on a sample basis;
- Inquiries regarding key assumptions and the re-performance of calculations on a sample basis; and,
- Reviewing the presentation of the Subject Matter Information in the Report to determine whether the information presented is consistent with our overall knowledge of, and experience with the environmental performance of QuadReal.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore a lower level of assurance is obtained.



### **Independence, quality control and competence**

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies *International Standard on Quality Control 1* and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement was conducted with a multidisciplinary team, which included professionals with suitable experience in both assurance and in the applicable subject matter, including environmental performance and GHG accounting.

### **Our conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that for the year ended December 31, 2018, the Subject Matter Information, as described above and disclosed in QuadReal's 2018 SASB Disclosure, has not been prepared and presented, in all material respects, in accordance with the applicable criteria, current as at the date of our report.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

**Chartered Professional Accountants**

June 28, 2019  
Vancouver, Canada





**FOR MORE INFORMATION, PLEASE CONTACT:**

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**[QUADREAL.COM](http://QUADREAL.COM)**